

News Release

U.S. Senators Pete Domenici & Jeff Bingaman

FOR IMMEDIATE RELEASE

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\$661 MILLION IN CERRO GRANDE COMPENSATION FUNDS NOW LAW

FEMA Now Has 45 Days to Establish Compensation Program for N.M.

WASHINGTON -- U.S. Senators Pete Domenici and Jeff Bingaman today confirmed that President Clinton has signed into law legislation providing \$661 million in emergency funding to start compensating victims of the northern New Mexico Cerro Grande Fire in May.

The president on Thursday signed H.R.4425, the FY2001 Military Construction Appropriations Act (H.R.4425), on to which Congress included an \$11.2 billion emergency supplemental funding package that includes the New Mexico funding. In signing the bill, Clinton also issued the necessary emergency designation that makes the Los Alamos fire money available.

Along with the \$661 million for New Mexico, the new law also includes the **Cerro Grande Fire Assistance Act** (S.2736) authorizing the use of this initial funding to begin a process for compensating victims of the Cerro Grande Fire. By law, the Federal Emergency Management Agency now has 45 days in which to establish the new Office of Cerro Grande Fire Claims and issue rules to govern the claims process.

"Congress has acted in an unprecedented pace, just two months, to establish and fund a compensation package. It is now incumbent on FEMA to act promptly and begin making right what went so wrong at the hands of the federal government in May," Domenici said. "The people of Los Alamos and surrounding areas have shown great strength during these hard times, and I believe that fortitude will see them through the upcoming era of rebuilding and renewal."

"We should start to see the first claims processed by Labor Day or before," Bingaman said. "Having a property loss claim processed is not an experience anyone desires, but it is our hope the system enacted will combine maximum flexibility for compensable damages with maximum speed for payment."

The \$661 million includes \$500 million to compensate non-federal fire claims, as well as \$138 million in fire recovery funds for Los Alamos National Laboratory and other funding for federal agencies involved in addressing problems stemming from the fire.

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| The following is a review of the \$661 million approved for New Mexico: | |
| FEMA/Cerro Grande Fire Assistance Fund | \$455 million |
| FEMA/Cerro Grande Fire Assistance Claims Office | \$45 million |
| Department of Energy/Los Alamos National Laboratory Fire Recovery | \$138 million |
| Bureau of Indian Affairs/Operation of Indian Programs | \$9 million |
| Farm Service Agency/Emergency Conservation Program | \$10 million |
| National Resources Conservation Service/Watershed & Flood Prevention Operations | \$4 million |
| TOTAL | \$661 million |

The \$500 million for non-federal compensation to fire victims is the initial emergency funding provided by Congress, and S.2736 continues to dictate as much funding as is necessary will be made available by Congress.

The Cerro Grande Fire, intentionally started by the National Park Service as a controlled burn to clear undergrowth in the Bandelier National Monument, ultimately forced the evacuation of 25,000 New Mexicans and closed Los Alamos National Laboratory. The blaze tore through Los Alamos, claiming hundreds of homes. It eventually consumed an estimated 48,000 acres.